

**DEPARTMENT OF ADMINISTRATIVE SERVICES
INTERNAL POLICIES AND PROCEDURES**

Subj: INCENTIVE AWARDS

Date: July 23, 2003

Ref: DHRM Rule R477-6-5
FIHRMS 02-27.07

Purpose:

This policy establishes the parameters by which incentive awards may be awarded within the Department of Administrative Services. The incentive award program is structured to encourage increased productivity and may be used to reward individuals or groups of employees who develop, implement and practice cost-savings measures or demonstrate exceptional effort or accomplishment beyond what is normally expected on the job for a unique event or over a sustained period of time.

Policy:

1. Each division within the Department of Administrative Services shall establish policy and procedure by which incentive awards are approved within that division. Directors have the latitude to establish a policy and procedure that fits the needs of their division. All division policies must include the department's sick leave incentive program as long as it continues to be authorized by the department.
2. Employees may be given an incentive award or administrative leave for the following:
 - a. **Increasing office efficiency.** Improving office processes that are time consuming, repetitive or a burden on the budget.
 - b. **Exemplary performance.** Performance beyond the employee's job duties that requires extra effort and research to produce beneficial results.
 - c. **Exemplary performance on team projects.** A project that requires performance beyond normal expectations. The group must work together as a unit to complete the project and provide results beyond the minimum requirements of the job.
 - d. **Exemplary leadership and/or initiative beyond that normally expected in an individual's assignment.** This includes meeting emergency or unusual deadlines and/or a willingness to accept or perform new assignments that are not part of the employee's job duties.

- e. **Cost savings.** An employee may suggest or implement a procedure or system that will save costs in the Department of Administrative or other agencies through more efficient methods such as changes in personnel resources, workflow, physical resources, geographical locations, etc. Reductions in cost must be demonstrable and subject to audit if necessary.
 - f. **Value enhancements.** An exceptional idea that can be demonstrated to significantly enhance the value or function of the department's processes, image or assets owned by the state including physical space or environmental improvements that benefit employees or the public.
 - g. **Public and employee relationships.** When an employee continually exceeds customer expectations by exhibiting responsiveness, reliability, empathy and flexibility. Provides knowledgeable, courteous services that convey trust, competence and confidence or develops an exceptional idea that leads to improvement in personal and human relationship areas.
- 3. The executive director must approve awards in excess of \$500. The executive director has delegated the authority and responsibility to division directors to sign all awards under \$500. Individual awards shall not exceed the amounts and other parameters established by DHRM Rule R477-6-5. Division directors have the responsibility to ensure that incentive award documentation clearly shows that the award was given for a reason in accordance with paragraph two of this policy.
 - 4. All incentive awards must be documented, evaluated and approved per the guidelines established in division policies. A copy of the documentation shall be kept in the division's individual employee files. Division directors will provide the executive director with twice yearly reports on all incentive awards.
 - 5. Non-cash incentive award programs as defined in DHRM rules and Division of Finance policies are not authorized in the department. However, the executive director has delegated the authority and responsibility to division directors to authorize up to eight hours per occurrence of administrative leave. The executive director must give written approval for awards of administrative leave in excess of eight hours per occurrence.
 - 6. When authorized by the executive director, the department will participate in a sick leave incentive program to reward employees who do not use sick leave. This program is only in effect during calendar years specifically authorized by the executive director. The amount of the award is \$50 per quarter up to a total of \$200 per calendar year. An additional \$50 will be paid to those employees who have not used sick leave in the entire calendar year, bringing the maximum amount to \$250. The sick leave incentive award program is subject to the following provisions:
 - a. This incentive program is subject to annual approval by a simple majority vote of the department's division directors with the concurrence of the executive

director. The outcome of the vote will determine that either all divisions shall participate or that none may participate in the program.

- b. Sick leave incentive awards shall be calculated at the end of pay periods 6, 13, 19 and 26. New employees are not eligible to receive an award for the quarter in which they are hired or the annual award.
 - c. Employees transferring to the department from other state departments will be eligible for the award for the entire year if they did not use sick leave in their previous position.
 - d. Employees working less than full time will be eligible for the award on a prorated basis calculated on their average hours worked per calendar year.
 - e. Employees must be in a position that receives benefits to be eligible for this award. Employees who work in positions without benefits and then become career-service employees, are not eligible for awards for the quarters in which they did not receive benefits or for the annual award.
 - f. Employees who use annual leave in lieu of sick leave will be eligible for this incentive program.
 - g. Employees cannot request leave adjustments at the end of the year in order to qualify for this award.
 - h. Payments will be made once per year, in January or February, after year-end leave usage reports have been reviewed. An employee must be employed by the department at the end of pay period 26 to be eligible to receive a sick leave incentive award.
7. The department has established an annual outstanding employee awards program. In March of each year, divisions select one employee as the recipient of their award. Award recipients receive a certificate during the annual DAS awards ceremony and an incentive award in an amount determined by the consensus of division directors. The Division of Administrative Rules, Office of Debt Collection and the Executive Director's Office are considered one division for the purpose of this policy.
8. An employee must have received a successful or better performance appraisal in the last review period to be eligible for an incentive award or administrative leave. An employee that is currently on corrective action or who has received a disciplinary action during the past six months is not eligible for an award. Only employees receiving state-paid benefits are eligible for incentive awards and/or administrative leave.